

1 MRS. DUFF: Okay.

2 MR. TOPEL: And he's asking you line 7 to 12.

3 BY MR. COHEN:

4 Q I'm asking you to focus -- in view of your earlier
5 testimony you didn't recall, I want you to focus on line 7
6 through 12.

7 MR. TOPEL: And I think the discussion starts there.
8 I want you to read --

9 MR. COHEN: Tell me when you've read 7 through 12.

10 (Pause.)

11 BY MR. COHEN:

12 Q Tell me when you've read it.

13 A Yes, I've read it.

14 Q Okay, now, I asked you, on line 7, "Did you request
15 from Mr. Cooper any financials, any financial statements, to
16 independently determine what the financial condition of Prime
17 Time Christian Television was?" And you answered, "Yes, I
18 did, he -- yes, I believe he did provide that information,
19 yes." Have I accurately read the question and answer into the
20 record?

21 A Yes, I, I think what I meant was that he provided
22 me -- I don't remember him providing me with financial
23 statements. When you say a financial statement, you mean
24 something like an audited financial statement. I don't
25 believe I received something like that.

1 Q Well, I asked you whether he -- "did you request
2 from him any financials, any financial statements." I, I
3 mentioned nothing in my question during the deposition about
4 audited statements. I just asked you whether you had
5 requested any financials or any financial statements, and you
6 answered, "Yes, I believe he did provide that information."

7 A I really don't remember what form that information
8 took.

9 Q That's a different question, but he did provide the
10 information?

11 A He provided me with information, yes.

12 Q And did -- and then I asked you, "Did you have that
13 available to you at the time of the meeting?" And do you
14 recall -- let me ask you. Did you have that information
15 available to you at the time of the meeting?

16 A No, I don't believe I had anything at the meeting.
17 That's why I was trying to wrack my brain to think of what it
18 would have been.

19 Q But you did -- whatever information you received
20 from Mr. Miller was not supplied to the other directors.

21 A No, it was not.

22 Q Thank you.

23 (Pause.)

24 MR. COHEN: Your Honor, Your Honor, Glendale
25 Exhibit 84, what -- was that a common --

1 JUDGE CHACHKIN: Yes.

2 MR. SHOOK: Bureau Exhibit 399.

3 MR. COHEN: Bureau Exhibit 399? Thank you.

4 BY MR. COHEN:

5 Q I want you to have before you, if the judge will
6 permit it, Bureau Exhibit 399.

7 MR. TOPEL: Mr. Cohen, if I could have a second?

8 MR. COHEN: Yes, of course.

9 (Pause.)

10 BY MR. COHEN:

11 Q And to focus you, ma'am, I'm going to be asking you
12 a few questions about the memorandum. It's not long but, in
13 fairness to you, spend as much time as you need to read the
14 memorandum before I ask you about it. You were signatory to
15 that document?

16 A Yes.

17 Q And did you have a chance to read it?

18 A Yes.

19 Q Now, I wanted to ask you about the first page where
20 the document states, "This memorandum is intended to confirm
21 the understanding between the Trinity Broadcasting Network and
22 NMTV, Inc." Do you see that?

23 A Yes.

24 Q The question I, I put to you is when was the
25 understanding that's referred to, when was that understanding

1 reached?

2 A The date that the document was dated.

3 Q You're quite sure of that?

4 A It's my understanding.

5 Q Well, I want you to look at your deposition,
6 October 8th, line -- page 35, line 4, and read as much as you
7 need to read before that time to focus yourself.

8 MR. COHEN: Here it starts out, and here it starts
9 back here on 32. That's where I started questioning about the
10 memorandum, and the rest of the questions are all about the
11 memorandum.

12 BY MR. COHEN:

13 Q So that you're clear, Mrs. Duff, I've conferred with
14 your counsel. I've advised him that the questioning
15 concerning the memorandum commences on page 32, continues on
16 to 35, and read as much as you need to read in order to orient
17 yourself.

18 (Pause.)

19 BY MR. COHEN:

20 Q You just let me know when you've read it.

21 A Well, I've read the --

22 Q Okay, we'll go ahead. I've been waiting for you.
23 I'm sorry --

24 A I, I've just now finished reading.

25 Q Sure. All right, now, I want you to look, I want

1 you to look at your deposition. You'll recall I started
2 asking you about that memorandum on page 32; and I asked you
3 about the understanding, when it was reached, beginning on 34;
4 and finally, on page 35, line 4, I asked you the question,
5 "You can't recall when the understanding was reached?" and
6 wasn't your answer, "no"?

7 A It was -- this memorandum memorializes the date.

8 Q Answer the question, ma'am. Wasn't your answer,
9 "no"?

10 A Where was that? Where was it here?

11 Q On page 35.

12 MR. TOPEL: Well, Your Honor, in, in all --

13 JUDGE CHACHKIN: Are you objecting?

14 MR. TOPEL: Well, in all, in all fairness, when a
15 witness is being cross-examined on a deposition all the
16 pertinent portions should be read, and if we go back to
17 page 34, starting on line 8, to put the final question in
18 context, it reads, "And my question is do you know when the
19 understanding was reached?" When the -- answer: "When the
20 understanding was -- in other words, when we came to the
21 understanding that there was going to be a note." Question:
22 "Exactly." Answer: "Gosh, it would have been -- I don't
23 really have a complete recollection of what the actual date
24 would be." Question: "Well, give me the approximate."
25 Answer: "It would be quite a bit before this." Question: "A

1 month before?" Answer: "No, it would have been even more
2 than that." Question: "Six months?" Answer: "It might have
3 been even further back than that." Question: "A year?"
4 Answer: "I would think it would have been even before that
5 that we had planned to do a note but I can't say with any
6 degree of accuracy exactly when. It might have been in some
7 of the previous minutes that we had discussed, discussed,
8 actually reducing our indebtedness to --" this transcript says,
9 "a national note," but I think that must be a transcription
10 error. And then comes the question and answer: "You can't
11 recall when it was?" and the witness said, "No."

12 MR. COHEN: I'll accept that, Your Honor.

13 MR. TOPEL: Okay, there we are.

14 MR. COHEN: There we are. I'd like to go onto
15 something else.

16 JUDGE CHACHKIN: Well, where are we now? I think --

17 MR. COHEN: We have, we have -- I consider this,
18 what's been written -- what's -- what was read into the
19 record, Your Honor, in my judgement is, is inconsistent with
20 the witness's answer. She said -- she, she told us at the
21 outset that it was reached at the time that this document was
22 signed; her deposition testimony is very clear to me that she
23 didn't know -- she didn't have that understanding when she had
24 her deposition taken, and, and I'm satisfied with the state of
25 the record. Mr. Topel can do what he wants with this on

1 redirect. I'd like to go on.

2 JUDGE CHACHKIN: Are you offering this for the
3 purpose of impeachment --

4 MR. COHEN: Absolutely.

5 JUDGE CHACHKIN: -- or admission, or what?

6 MR. COHEN: I'm offering it for the purpose of
7 impeachment, Your Honor.

8 JUDGE CHACHKIN: Not for an admission that it
9 occurred earlier.

10 MR. COHEN: Both, Your Honor.

11 JUDGE CHACHKIN: All right.

12 BY MR. COHEN:

13 Q Now, the memorandum makes reference to the above
14 note. Do you see that?

15 A Yes.

16 Q Okay. Were the notes prepared?

17 A Yes.

18 Q When were the notes prepared, ma'am?

19 A I don't remember.

20 Q Did you ever see a copy of the notes?

21 A If there were notes, I would have seen a copy, yes.

22 Q Do you recall signing it?

23 A No, but I don't really remember.

24 Q Do you recall who drafted the notes?

25 A I would have had Norm Juggert to, to prepare the

1 notes.

2 Q I'm sorry, I didn't hear you.

3 A I would have had Norm Juggert to prepare any --

4 Q Do you have a recollection of asking him to prepare
5 the notes?

6 A No.

7 Q Do you have a recollection of ever seeing those
8 notes, or the note or notes?

9 A No.

10 MR. COHEN: Will you please show the witness -- show
11 her Exhibit 1, page 26, Mr. Topel? Paragraph 43.

12 BY MR. COHEN:

13 Q Tell me when you've read the paragraph to yourself.
14 This is already in evidence, ma'am.

15 A Yes.

16 Q Okay. Now, I'm reading, "I have seen the memorandum
17 of July 31, 1992, which referred to a note in the face amount
18 of \$4,030,442," but other than that memorandum which was
19 signed by TBN and NMTV, no separate note was ever executed."
20 Now, does -- is -- do you still testify that the note was
21 prepared or notes?

22 MR. TOPEL: Well, there's a difference. I object,
23 Your Honor. There's a difference between a note being
24 prepared and a note being executed.

25 MR. COHEN: Do you -- I will, I will accept that.

1 BY MR. COHEN:

2 Q Do you recall a note being executed?

3 A No, I don't.

4 Q Do you recall a note being prepared?

5 A Right, we, we did prepare a note.

6 Q Which you didn't execute.

7 A But we didn't execute.

8 Q I see. So -- but you have a clear recollection of
9 the note being prepared.

10 A Right, but I --

11 Q And what -- excuse me.

12 A I don't remember why it wasn't executed.

13 JUDGE CHACHKIN: Have you been supplied with a copy
14 of these notes, Mr. Cohen?

15 MR. COHEN: I don't believe -- of the note that
16 wasn't executed?

17 MR. TOPEL: I believe it's in evidence already.

18 MR. COHEN: Well, then, then I'll stand corrected.
19 Okay.

20 BY MR. COHEN:

21 Q But you don't know why the note wasn't executed.

22 A No, I don't remember.

23 MR. TOPEL: Let, let me say that there is nothing in
24 existence that hasn't been provided to all parties.

25 JUDGE CHACHKIN: Well, that's what I wanted to make

1 | sure, that there wasn't existence --

2 | MR. COHEN: I have, I have -- I'm ready to turn to
3 | a different facet, Howard, so you can take the, the, the
4 | deposition away.

5 | BY MR. COHEN:

6 | Q Now turning to the terms and conditions that are set
7 | forth in that memorandum that you have before you --

8 | MR. TOPEL: Oh, hold on a second.

9 | JUDGE CHACHKIN: You're talking about Bureau
10 | Exhibit 399.

11 | MR. COHEN: Yes, sir.

12 | BY MR. COHEN:

13 | Q You'll notice that the, the bottom two paragraphs
14 | have what I'm calling terms and conditions. Do you see that?

15 | A Yes.

16 | Q Okay. Is it fair to say that you and Paul Crouch
17 | informally determined what those terms and conditions would
18 | be?

19 | A Yes.

20 | Q And when you and Paul Crouch were informally
21 | determining, determining that, was Paul Crouch negotiating for
22 | Trinity or was he negotiating for NMTV?

23 | A He would be negotiating for TBN.

24 | Q And were you negotiating for Trinity, or were you
25 | negotiating for NMTV, or both?

1 A Clearly for NMTV.

2 Q Thank you.

3 (Pause.)

4 MR. COHEN: What was that number again, Your Honor?

5 JUDGE CHACHKIN: 399.

6 BY MR. COHEN:

7 Q Now, I want to ask you, again referring to 399, how
8 it came about that Mr. Hickey signed this document on behalf
9 of TBN?

10 A He was an assistant secretary for TBN.

11 Q And he's also an assistant secretary for NMTV, is
12 that correct?

13 A Yes.

14 (Pause.)

15 BY MR. COHEN:

16 Q Now, again referring to this memorandum of July 31,
17 1992, was that memorandum sent to the directors of NMTV after
18 it was signed?

19 A I don't know if it was or not. I did not send it to
20 the directors.

21 Q I want to ask you about --

22 MR. COHEN: Would you show the witness Bureau
23 Exhibit 290?

24 (Pause.)

25 BY MR. COHEN:

1 Q This document has been received in evidence, ma'am.
2 Would you take a minute and read it, please? Tell me when
3 you've read it.

4 A I've read it.

5 Q Is the guarantee of the credit obligations of NMTV
6 as set forth in that letter, something that occurred on more
7 than one occasion?

8 A Yes.

9 Q And was it TBN's practice to guarantee the credit
10 obligations on invoices of NMTV?

11 A Not on all invoices; only when it was required.

12 Q Thank you.

13 A NMTV has since has enough money that we don't use
14 the guarantees at the present time.

15 Q When did that new practice commence, the new policy
16 commence?

17 A At such time as we had sufficient monies of our own.
18 I would say the last -- it's, it's rare that we need anything
19 like that any more.

20 Q When did the -- when did NMTV change its, its
21 practice in this regard?

22 A It's not necessarily a practice. We just haven't
23 needed --

24 Q When did -- excuse me, go ahead. Finish your
25 answer.

1 A I was just trying to explain that this was in the
2 beginning when we didn't have much money of our own. Now
3 NMTV has quite a bit of money considering what we had back in
4 the early days.

5 Q And when did NMTV begin to have "quite a bit of
6 money" as you put it?

7 A After we bought our Portland station.

8 Q Okay.

9 JUDGE CHACHKIN: Is this agreement to guarantee the
10 credit obligations on invoices of National Minority
11 Television, Inc. reflected in any document of the board of
12 directors, any action of the board of directors?

13 MRS. DUFF: Are --

14 JUDGE CHACHKIN: Yes, I'm asking you.

15 MRS. DUFF: Oh, I'm sorry, I misunderstood.

16 JUDGE CHACHKIN: My question is, this is a letter to
17 Allied Broadcast Equipment informing them that Trinity
18 guarantees credit obligations of NMTV and I'm asking you is
19 this agreement reflected in any document or action of the
20 board of directors of NMTV --

21 MRS. DUFF: I --

22 JUDGE CHACHKIN: -- whereby they wanted -- they
23 allow Trinity to guarantee their credit obligations?

24 MRS. DUFF: I can't think of any specific time that
25 it was in the, the minutes, Your Honor.

1 JUDGE CHACHKIN: Well, was it -- did it ever -- was
2 it ever discussed and agreed upon?

3 MRS. DUFF: It was discussed, yes.

4 JUDGE CHACHKIN: But it's not reflected in any
5 minutes; it's not reflected in any resolution of the board of
6 directors of NMTV, is it?

7 MRS. DUFF: I don't recall it. It could be but I
8 just haven't focused on it before.

9 JUDGE CHACHKIN: We have all the minutes of NMTV, do
10 we not?

11 MR. COHEN: Yeah, I, I'll make a representation to
12 you, Your Honor. I have come across nothing along the lines
13 that you've -- that you have described that I --

14 JUDGE CHACHKIN: Well, the record will reflect the
15 fact that it's not reflected in any resolution of the board of
16 directors of NMTV.

17 MR. COHEN: Maybe Mr. Topel has some knowledge on
18 this but I, I have none.

19 MR. TOPEL: The record will reflect I, I don't.

20 MR. COHEN: I want to have marked, Your Honor, for
21 identification as Glendale Exhibit 213 a document entitled
22 "Policy of Trinity Broadcasting Network Inc. Regarding
23 Compensation for Travel Time." It consists of three pages.

24 JUDGE CHACHKIN: The document described is marked
25 for identification as Glendale Exhibit 213.

1 (Whereupon, the document referred to
2 as Glendale Exhibit 213 was marked
3 for identification.)

4 BY MR. COHEN:

5 Q Do you recognize that document, Mrs. Duff?

6 A Yes.

7 Q Now, did you prepare this document wearing your TBN
8 hat?

9 A I don't think I prepared this document.

10 Q Have you -- does it to your knowledge set forth the,
11 the policy of TBN regarding compensation for travel time?

12 A Yes.

13 Q Does NMTV have the same policies that are set forth
14 in this document that you have before you?

15 A Generally speaking, if a policy comes to me, and I
16 think it's a good policy, and I decide that it was something
17 that I want the stations, you know, Portland, at, at one time,
18 Odessa, I would just -- I would use it.

19 Q Well, in point of fact, haven't you used the Trinity
20 policy regarding compensation for travel time for the Portland
21 station?

22 A I'm not sure whether it's exactly like this. I
23 would tailor-make it, you know, for the stations so that it
24 would be applicable.

25 Q Isn't it true that NMTV's policy manual differs very

1 little from the NM -- strike that. Isn't it true that NMTV's
2 policy manuals -- policy manual differs very little from the
3 policy manual of TBN?

4 A That's true. I decided that it was a good manual
5 and I would use it.

6 MR. COHEN: I'd like to offer, Your Honor,
7 Exhibit 213.

8 JUDGE CHACHKIN: Any objection?

9 MR. TOPEL: No, sir.

10 JUDGE CHACHKIN: Glendale Exhibit 213 is received.
11 (Whereupon, the document previously
12 marked for identification as Glendale
13 Exhibit 213 was received into
14 evidence.)

15 JUDGE CHACHKIN: We'll be in recess until 9:30
16 tomorrow morning.

17 MR. COHEN: Very good, Your Honor.

18 (Whereupon, a recess was taken until December 7,
19 1993.)

20

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CERTIFICATE OF REPORTER, TRANSCRIBER, AND PROOFREADER

IN THE MATTER OF TRINITY BROADCASTING OF FLORIDA, INC.

Name AND GLENDALE BROADCASTING COMPANY

MM DOCKET NO. 93-75

Docket No.

WASHINGTON, D.C.

Place

DECEMBER 6, 1993

Date

We, the undersigned, do hereby certify that the foregoing pages, numbers 1142 through 1381, inclusive, are the true, accurate and complete transcript prepared from the reporting by ALICE WEHNER in attendance at the above identified proceeding, in accordance with applicable provisions of the current Federal Communications Commission's professional verbatim reporting and transcription Statement of Work and have verified the accuracy of the transcript by (1) comparing the typewritten transcript against the reporting or recording accomplished at the proceeding and (2) comparing the final proofed typewritten transcript against the reporting or recording accomplished at the proceeding.

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